

INDIANA STATE SENTINEL.
SATURDAY, DECEMBER 7, 1844.

Auditor's Report.

The report of the Auditor of State, submitted to the present Legislature, contains a statement of accounts in that department, for the fiscal year, commencing November 1st, 1843, and ending October 31st, 1844, together with suggestions, in relation to such modifications of existing laws, or such original provisions, in reference to the public revenue, as, in the opinion of the Auditor, will secure its more prompt collection and beneficial expenditure.

By this report it appears, that the total receipts, on account of internal improvements and general revenue, from Nov. 1st, 1843, to Oct. 31st, 1844, both days included, amount to \$1,844,240 58.

The total disbursements, on account of Internal Improvement and general objects of expenditure, amount to \$1,472,494 14.

Leaving a balance in the treasury, on the 1st day of November, 1844, provided all warrants audited prior to that date are paid, of \$371,745 44.

In addition to the above, it appears there are regular treasury warrants outstanding to the amount of \$3,581 50.

Internal improvement warrants outstanding (same as reported last year) - - - - - 91,341 96 \$97,923 45

True amount in the treasury at the close of the fiscal year, ending Oct. 31st, 1844. - - - - - \$463,659 90

This balance, the Auditor remarks, consists chiefly of treasury notes, paid in as revenue for 1843, and Wahash and Erie canal land rents, east and west of Tippecanoe, issued for the construction of that canal, and received for tolls, water rents and sales of lands, and that a very small portion of it will be available in defraying the ordinary expenses of the government.

A sum from the bank, under the law of last session, has enabled the treasury to meet the demands upon it, during the year just terminated, and thus prevented the losses or inconveniences to which the public creditors must otherwise have been subjected.

It is estimated that the entire charge for 1844, for State purposes (including interest taxes), will be \$304,657 17, and for county and road purposes (including delinquencies) \$506,115 46, which would make the taxes charged in the State for all purposes \$811,072 63. Deducting from this amount \$5,000 of delinquencies, the assessment for 1844 above, will amount, for all purposes, to \$751,072 63, being a fraction less than \$6 18 to each taxpayer. On the assumption that the poll-tax, for State and county purposes, will average one dollar, the rate of taxation on property would be nearly fifty-five cents and seven mills on the hundred dollars valuation.

In estimating the amount which will probably be paid into the treasury, on account of the appreciation for 1844, it may only be imagined, on my basis of valuation, that the delinquencies will be about 25 per cent. of the assessments. The rapid appreciation, which set in last winter, requiring county treasurers to keep detailed statements of the kind of funds received, will also, probably, contribute to relieve the treasury from the embarrassment arising from an exclusive receipt of treasury notes. While I would express it as my opinion that the present year's revenue may be relied upon to meet the regular demands upon the treasury, it would be a matter of prudence, on the part of the Legislature, to authorize a resort to some other mode of raising money, in the event that the anticipation of sufficient receipts from the revenue should not be realized.

As the legislative expenses fall due before the revenue becomes payable, some mode of payment will have to be provided, in the event, which may be relied upon with certainty, that the current funds on hand will not be sufficient to meet them and other demands (excluding debts) at the close of the present quarter. A provision similar to that in the act of last session, (General Laws, Chapter 89,) authorizing county treasurers to redeem such warrants as may be issued, would, it is confidently believed, insure their prompt payment.

The ordinary expenditures, on account of the State government, for the fiscal year, amount to \$89,037 14.

Two of these items are as follows:

Public printing and distributing laws \$15,324 13
Stationery and fuel 12,959 15-25,783 25

Leaving for other objects \$59,211 25

In relation to the above, the auditor remarks, that-

"The only two items, in which the expenditures have to any considerable extent, exceeded the estimates submitted to the Legislature at its last session, are the public printing and stationery accounts. This excess originates from the heavy and alarming demands which have been made on the Treasury, on account of the Revised Statutes of 1843. No separate accounts have been kept of expenditures for those Statutes; but it appears from the vouchers on file that the sum of \$97,745 33 has been paid, during the last year, on account of printing alone. What portion of the stationery account should justly be chargeable before I can make an estimate of the amount of the Revised Statutes, I have no means of ascertaining definitely. Nearly \$11,000 were allotted for stationery before I came into office; and it is to be regretted that the desirable distinction, between the different purposes for which it was purchased, had not been kept, either in the vouchers or on the books of this office. In these vouchers, I find that stationery to the amount of \$5,255 was purchased for the Revised Statutes—how much more than that has been paid on their account, cannot be stated."

The Auditor estimates, that the amount necessary for the ordinary expenditures of 1845, will be \$87,950 00.

The stationery for printing and public offices and public printing he sets down at 9,000 00

Leaving for other objects \$58,950 00

The auditor remarks, that-

"The foregoing estimates are made upon the supposition that the act of December 11, 1843, reducing the salaries of the Governor and other officers, and members of the Legislature, will remain unchanged. Should it be deemed advisable to amend such provisions of that law as have been found to operate prejudicially upon the public interests, and which it is supposed, cannot be reconciled with the principles of sound economy, a corresponding change will have to be made in the estimated amounts of appropriation."

No estimates have been made for the New State Prison, the State House, and the Governor's House. Of the amounts, (if any,) which ought to be appropriated for these purposes, this department is in possession of no information, and will, on an opinion entitled to consideration, could be based."

In reference to objects of taxation, the report states, that the number of polls returned in 1844 is 117,530—being an increase of 4,274, over those returned in 1843.

The number of acres of land returned this year is 15,583,247—being an increase of 358,381 over those returned in 1843.

The value of land in 1844 is \$56,734,038—being an increase of \$1,636,498.

The value of improvements in 1844 is \$21,902,179—being an increase of \$455,768.

The value of town lots and buildings in 1844 is \$12,805,111—showing an increase over the last year of \$350,580.

The value of all realty in 1844 is \$91,521,958—being an increase of \$2,473,094 over 1843.

The value of personal property in 1844 is \$23,889,532—being an increase of \$7,705,433 over 1843.

The value of corporation stock in 1844 is \$168,575, being a decrease of \$5,449 since 1843.

The value of all personalty in 1844 is \$24,058,107—being an increase of \$8,759,887 since 1843.

The total value of taxes in 1844 is \$115,590,035—being an increase of \$11,362,981 since 1843.

The auditor remarks, "that every species of property subject to taxation, (except corporation stock,) has increased in value in a ratio that indicates a rapid augmentation of the wealth and resources of the State. In the item of personal property, the large increase over the returns of last year is no doubt,

mainly attributable to the act of the last session of the Legislature repealing the law of 1842-3, which exempted from taxation all property exempted from excise; but making all due allowances for the favorable operation of that law, a considerable proportion of the increase must be ascribed to the influence of regular and permanent causes."

The amounts of taxes assessed in each county for 1843, for state, county, road, and school and town purposes, the amount returned delinquent on each account, and the rates of delinquency on the \$100 of assessments stated. It will be seen, by reference to this statement, that in the aggregate \$20,424 on the one hundred dollars, or a little more than one-fifth of the assessments, have been returned delinquent. The counties in which the delinquencies have been greatest, are Marshall, Wayne, Martin, Delaware and Greene, in which the average delinquency is \$17,435 on the one hundred dollars, or near one-half the amount assessed. The counties in which the delinquencies have been the least, are Union, Fayette, Johnson, Dearborn, Gibson, and Vigo, in which the average delinquency is but \$5 60 on the one hundred dollars, or a little less than one-tenth of the assessments."

An examination of the sale bills on file in this office, will show that large quantities of land have been returned as delinquent to the State for want of purchasers. It may safely be stated, that at least one-half of the land returned delinquent for 1841-2, and which were offered for sale on the first Monday of January, 1842, in this manner. It is evident that a general repugnance exists, as to the purchase of title, either because the practice decimal division, or because the little faith is placed in the security offered, for the investment of capital in that way. It is all probability, that causes have operated, (the most strong,) to swell the list of great delinquent land, upon the rates of delinquency of lands originates from the strong apprehension felt, that the decisions of the courts will be adverse, upon more matters of form, to the title of the purchaser. And, under the latitude of construction assumed by the courts, in reference to the portions of the revenue laws relating to sales of delinquent lands, it cannot be denied that this fear is well founded."

It is estimated that the entire charge for 1844, for State purposes (including interest taxes), will be \$304,657 17, and for county and road purposes (including delinquencies) \$506,115 46, which would make the taxes charged in the State for all purposes \$811,072 63. Deducting from this amount \$5,000 of delinquencies, the assessment for 1844 above, will amount, for all purposes, to \$751,072 63, being a fraction less than \$6 18 to each taxpayer. On the assumption that the poll-tax, for State and county purposes, will average one dollar, the rate of taxation on property would be nearly fifty-five cents and seven mills on the hundred dollars valuation.

In estimating the amount which will probably be paid into the treasury, on account of the appreciation for 1844, it may only be imagined, on my basis of valuation, that the delinquencies will be about 25 per cent. of the assessments for 1844, and for county and road purposes (including delinquencies) \$17,435 on the one hundred dollars, or a little more than one-half the amount assessed. The amount of interest which will be due from the State on bonds outstanding, on the 1st of January next, will be as follows:

Internal Improvement Bonds - \$85,900,000

Wabash and Erie Canal Bonds 1,757,000

State Bank Bonds 2,413,000

Lawrenceburg and Indianapolis Railroad Bonds 221,000

Surplus Revenue Bonds 204,000

Madison and Indianapolis Railroad Bonds 456,000

7 per cent. Bonds issued to pay interest on Bonds previously sold, 1,100,000

Total, \$15,111,000

Of these bonds there have been redeemed, Premiums Revenue bonds, \$294,000

Premises bonds, to-wit:

From the Lawrenceburg and Indianapolis Railroad Company, 177,000

Received by Gov. Noble, 21,000

Received by Michael G. Bright, Seven per cent. bonds, signed but not issued, 1,061,000

- 700,000

-\$2,560,000

Leaving the amount of bonds outstanding, Nov. 1st, 1844, \$12,512,000

Of this amount, the State Bank pays the interest on, 1,300,000

Which would leave the amount of bonds outstanding, Nov. 1st, 1844, for the payment of the interest on which no provision is made, \$11,212,000

The report of the Agent of State, in October 31st, 1843, has not yet been received, but it is understood that no bonds have been redeemed by him, since his last settlement with this office.

The amount of interest which will be due from the State on bonds outstanding, on the 1st of January next, will be as follows:

State of Indiana Bonds and Erie Canal Bonds, at six per cent. for five years, \$241,000

On \$203,000 at seven per cent. for two years and a half, 6,300

On \$10,000 at five per cent. for four years, 2,107,200

Total, \$2,247,500

The annual interest on bonds outstanding is as follows:

\$10,000 at six per cent., \$600 00

On \$60,000 at seven per cent., 4,200 00

On 10,000 at five per cent., 500 00

Total, \$8,900 00

To meet this large annual indebtedness, and preserve the political faith of the State, no means can be obtained, except what may arise from a resort to taxation, heretofore so easily obtained, and upon such advantageous terms, has become a lucrative scheme of speculation with the "money-changers" of the community; and a very large amount of it is not the greater part of it, now in their hands, will be derived from contributions, with reference to the creation of a national bank, and the like.

It is estimated that the amount which will be received by the State, on account of the revenue taxes, will be correspondingly augmented; but nothing it is believed, could save the State from heavy taxation, if it did not, and, for the rest of the year, to be expected, that the purchases of the "money-changers" for the creation of a national bank, and the like, will be paid in current funds.

The net of last winter, requiring county treasurers to keep detailed statements of the kind of funds received, will also, probably, contribute to relieve the treasury from the embarrassment arising from an exclusive receipt of treasury notes.

While I would express it as my opinion that the present year's revenue may be relied upon to meet the regular demands upon the treasury, it would be a matter of prudence, on the part of the Legislature, to authorize a resort to some other mode of raising money, in the event that the anticipation of sufficient receipts from the revenue should not be realized.

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